

HOUSE OF REPRESENTATIVES
PROPERTY TAX SUBCOMMITTEE

ROLL CALL

DATE

4/22/91 - TUES

NAME	PRESENT	ABSENT	EXCUSED
REP. BEN COHEN, VICE-CHAIR	✓		
REP. ED DOLEZAL	✓		
REP. ORVAL ELLISON	✓		
REP. RUSSELL FAGG	✓	X	
REP. DAVID HOFFMAN	✓		
REP. ED MCCAFFREE	✓		
REP. MARK O'KEEFE	✓		Excused 8 ¹⁰
REP. TED SCHYE		✓	
REP. FRED THOMAS	✓		
REP. DAVE WANZENRIED	✓		
REP. DAN HARRINGTON, CHAIRMAN	—		

House Tax Subcommittee

EXHIBIT 10711
DATE 1/23/91
HB SC PTAX

1. What are the property tax classes?
2. What property is included in each class?
3. Why is there no distinction between residential and commercial property?
4. What is the rationale for each property tax class?
 - What criteria is used to put property in a class?
 - What is the Governor's proposal to change the classes?
 - What is OPI's proposal to change the classes?
5. How is each property tax class taxed?
 - How does the agricultural productivity tax work?
 - How does the timber standing inventory tax work?
 - What is proposed for the productivity timber tax?
 - What deductions are allowed from the gross for the net proceeds tax?
 - The amount of these deductions?
 - How has the amount of these deduction changed from tax year 1989 to tax year 1990?
6. I-105
 - What was the original form as I-105 was passed by the people?
 - What was the original form as passed by the legislature?
 - What are the changes between these?
 - What is I-105 today? Why and when did it get changed?
 - Summary is how does I-105 work currently and why are property taxes still going up?
7. Comparisons -
 - a. How does Montana rank in comparison to other states in Property Tax?
 - b. How do select components of property tax rates in MT compare to other states? Get the MSU AG Land report.
 - c. How do neighboring state classify their property?
 - d. What property do the neighboring states include or exclude from property tax that MT taxes?
8. What are the property tax forms?
9. What does it cost to administer each class of property?
10. What data base is available for class 8 property?
 - What level of government can be analyzed for changes within class 8 property?
11. How effective are tax credits?
 - The Legislative Council has a report on tax credits
 - In 1988 DOR apparently did a report on Tax Abatements, Can we find this report?
12. Agricultural Land -
 - a. What is the ag advisory committee doing?
 - b. The Department did a 1984 report on the value of agricultural land to market value. Ken can you get this and try to up date it?
13. New Industry Special Rate
 - a. How does this program operate?

EX. 1
Subcomm.

1/22/91

Prop. Tax

- b. When did this program start?
 - c. What have been the changes in the law since this was first enacted?
 - d. If 50 percent of the business is done out of stat, does this not allow the industry to qualify?
 - e. What is manufacturing?
14. What was HB 703?
What are the constitutional and legal problems with HB 703?
15. What is the administrations position on correcting the difficulties from HB 703?
16. What are mill levies?
What is the definition of the statewide average mill levy which is used in session?
How does the statewide average mill levy compare for the last several years?
What are the mill levies in law for different programs?
How do mill levies for the same program differ because of county size or other factors?
17. How does the school equalization formula work?
Can the committee have copies of the salmon colored worksheet on HB 28?
What analysis do we have on the mill levies from that worksheet?
18. What is the effect of the LGST being a flat tax rather than in the property tax base?
19. Review the Beneficial Use Tax
What is the tax?
Why are we in court?
The amount of money involved?
The amount of money spent out of the protest fund?

EXHIBIT _____; 2811
 DATE 1/22/91
 HB SC PTAX

Classification of Property for Purposes of Taxation

Montana law requires that all property except agricultural land and mines be assessed at 100 percent of market value.

The market value of all motor trucks, agricultural equipment, and vehicles of all kinds, is the average wholesale value (loan value in the case of agricultural machinery and equipment) shown in national appraisal guides and manuals or the value of the vehicle before reconditioning and profit margin. Market value for most other property is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

The table below outlines Montana's 1990 property tax classifications and provides taxable value rates as percentages of market value:

1990 Classification of Taxable Property in Montana, with Taxable Value rates as Percentages of Market Value

Class 1: (15-6-131 MCA)	100% of net proceeds after deducting specified expenses a) The annual net proceeds sold during the taxable year by all mines except coal and metal mines.
Class 2: (15-6-132 MCA)	3% of gross proceeds a) The annual gross proceeds of metal mines.
Class 3: (15-6-133 MCA)	30% of productive capacity a) All agricultural land.
Class 4: (15-6-134 MCA)	3.86% of market value a) All land except that specifically included in another class. b) All improvements (including buildings) except those specifically included in another class. 3.86% or market value multiplied by a percentage figure based on income. c) The first \$80,000 of the market value of any improvement (including buildings) on real property and five adjoining acres, and occupied for at least 10 months a year as the primary residence of any one whose total income is not more than \$10,000 (\$12,000 for a married couple).* 1.93% of market value d) All golf courses, including land and improvements, that consist of at least nine holes and not less than 3,000 lineal yards.

* Class 4c property is taxable at 3.86% of assessed value times the following percentage schedule based on annual income:

Single Person adjusted gross income			Married Couple adjusted gross income			Percentage multiplier
\$		\$	\$		\$	
0	to	1,144	0	to	1,372	0
1,145	to	2,287	1,373	to	2,745	10
2,288	to	3,431	2,746	to	4,117	20
3,432	to	4,574	4,118	to	5,489	30
4,575	to	5,718	5,490	to	6,862	40
5,719	to	6,862	6,863	to	8,234	50
6,863	to	8,005	8,235	to	9,606	60
8,006	to	9,149	9,607	to	10,979	70
9,150	to	10,293	10,980	to	12,351	80
10,294	to	11,436	12,352	to	13,723	90

EXHIBIT 138 11
 DATE 12/2/91
 HB SC PTAX

1990 PROPERTY CLASS CODES

<u>CODE</u>	<u>CATEGORY</u>	<u>CLASS</u>	<u>TAXABLE PERCENTAGE</u>
<u>I. LAND</u>			
1101	Tillable Irrigated Land	3	30%
1401	Tillable Non-Irrigated Land/Summer Fallow	3	30%
1501	Tillable/Non-Irrigated/Continuously Cropped	3	30%
1601	Grazing Land	3	30%
1801	Wild Hay Land	3	30%
1901	Timber Land	13	3.84%
2001	1 Acre Farmstead	14	3.088%
2101	Tract Land	4	3.86%
2107	Commercial Tract Land	4	3.86%
2109	Locally Assessed Co-op Land	5	3%
2118	Eligible Mining Claim	18	30%
2119	Nonproductive Land Under 20 Acres	19	2%
2120	Land devoted to processing ag/timber products and out of production for 12 months or acquired via foreclosure or bankruptcy (see 15-6-150) 25% reduction first year.	20	3.86%
2121	Land devoted to processing ag/timber products and out of production for 12 months or acquired via foreclosure or bankruptcy (see 15-6-150) 50% reduction second year.	20	3.86%
2122	Land devoted to processing ag/timber products and out of production for 12 months or acquired via foreclosure or bankruptcy (see 15-6-150) 75% reduction third year.	20	3.86%

REPORT OF THE STATE DEPARTMENT OF REVENUE

EXHIBIT 119
4311
 DATE 1/22/91
 HB SC PTAX

STATEWIDE

1990 PROPERTY CLASSES	QUANTITY	1989 MARKET	TAXABLE	QUANTITY	1990 MARKET	TAXABLE
CLASS 1						
Net Proceeds		208,262,794	208,262,794		16,099,308	16,099,308
CLASS 2						
Gross Proceeds		698,015,821	135,732,687		338,176,414	10,145,292
CLASS 3						
Agricultural Land:						
Irrigated (30%)	1,481,307	46,147,320	13,844,918	1,505,727	46,515,747	13,956,278
Non-Irrigated (30%)	12,260,785	278,371,068	83,511,939	12,305,644	279,060,517	83,721,552
Grazing (30%)	36,028,491	127,911,801	38,374,492	36,064,578	127,459,102	38,247,667
Wild Hay (30%)	1,076,778	18,491,566	5,548,039	1,068,059	18,412,010	5,521,613
Class 3 Subtotal	50,847,361	470,921,755	141,279,388	50,944,008	471,447,376	141,447,110
CLASS 4						
Land and Improvements:						
Residential (3.86%)		10,092,993,171	389,588,408		10,618,050,163	409,844,189
Residential (0%-3.474%)		223,688,503	5,011,362		219,235,835	4,936,403
Commercial (3.86%)		4,392,202,539	169,538,993		4,071,647,103	157,136,493
Industrial (3.86%)		682,673,537	26,351,195		683,588,198	26,386,411
New Manufacturing (1.93-3.474%)		12,371,278	244,743		23,576,038	458,721
Golf Courses (1.93%)		32,168,297	620,848		30,133,211	581,570
Remodeled (0.772%-3.86%)		2,548,844	52,546		4,401,423	73,431
Class 4 Subtotal		15,438,646,169	591,408,095		15,650,631,971	599,417,218
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		329,066,140	9,872,075		333,009,175	10,036,277
New Industrial Property (3%)		51,168,786	1,535,064		50,709,316	1,521,280
Pollution Control and Gasohol (3%)		500,687,819	15,002,840		459,145,778	13,749,245
Research and Development (0%-3%)		2,645,348	55,405		4,284,457	97,700
Electrolytic Equipment (3%)		0	0		36,840,033	1,105,201
Class 5 Subtotal		883,568,093	26,465,384		883,988,759	26,509,703
CLASS 6						
Livestock (4%)		601,304,942	24,050,964		604,289,550	24,172,389
Leased and Rental Property (4%)		6,357,242	254,302		7,154,656	294,757
Class 6 Subtotal		607,662,184	24,305,266		611,444,206	24,467,146
CLASS 7						
Independent Telephone (8%)		8,361,217	668,900		10,176,519	888,135
CLASS 8						
Machinery (11%,9%)		956,362,010	104,426,331		1,140,219,850	101,255,560
Farm Implements (11%,9%)		503,527,499	55,388,159		547,063,533	49,225,977
Buses, Trucks and Trailers (11-13%,9%)		172,887,421	21,195,461		158,944,982	14,374,658
Furniture and Fixtures (13%,9%)		329,238,631	42,801,330		343,925,346	30,953,901
Broadcasting Equipment (13-16%,9%)		21,664,739	3,432,030		24,137,567	2,172,401
Other Property (8-16%,9%)		271,806,348	30,553,484		241,142,818	21,618,665
Class 8 Subtotal		2,255,486,648	257,796,795		2,455,434,096	219,601,162
CLASS 11						
Utilities (12%)		3,150,769,637	378,092,350		3,267,029,591	391,742,490
CLASS 12						
Mobile Homes (3.86%)		398,885,666	15,396,919		414,390,991	15,980,051
Mobile Homes (0%-3.474%)		13,228,006	293,111		13,554,441	305,505
Class 12 Subtotal		412,113,672	15,690,030		427,945,432	16,285,556
CLASS 13						
Timber Land (3.84%)	3,541,215	170,955,229	6,564,771	3,545,881	172,191,439	6,612,075
CLASS 14						
One Acre Farmsteads (3.088%)		1,806,799,387	55,793,469		1,846,893,622	57,029,625
One Acre Farmsteads (0%-2.779%)		10,265,361	217,822		8,416,434	165,234
Class 14 Subtotal		1,817,064,748	56,011,291		1,855,310,056	57,194,859
CLASS 15						
Railroads (7.92%,7.49%)		737,000,775	58,370,443		740,360,200	55,452,979
CLASS 17						
Airline Property (12%)		55,369,326	6,644,322		61,566,290	7,387,949
CLASS 18						
Eligible Mining Claims (30%)		31,600	9,486		34,362	10,319
CLASS 19						
Non-Productive Land Under 20 Ac. (2%)		5,096,830	101,947		4,826,265	96,230
CLASS 20						
Out of Production Ag/Timber (3.86%)		0	0		83,878	3,238
TOTAL		26,919,326,498	1,907,403,949		26,966,746,162	1,573,360,769

NOTE: Figures shown are as reported to the Department of Revenue by the County Assessors.

EXHIBIT_ 5/11
DATE 4/22/91
HB SC PTAX

PROPERTY CLASSIFICATION

All taxable property must be assessed at 100% of its market value except as otherwise provided (15-8-111, MCA).

Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

\$1,000 = Market Value

The market value is multiplied times the statutory taxable percentage to get the taxable value of the property.

$\$1,000 \times 3.86\% = \37
Market X Taxable percentage = Taxable Value

The taxable value is multiplied times the mill levy of the district to get taxes.

$\$37 \times 250 \text{ mills} = \9.25

A mill is a tenth of a cent, so a levy of 250 translates to \$250 per \$1,000 of taxable value ($\$1,000 \times .250 = \250).

EXHIBIT 26711
DATE 4/22/91
HB SC PTAX

THE RATIONAL FOR PLACING PROPERTY IN TAX CLASSES

Property in Montana was first placed in statutory tax classes in 1919. Seven classes were created by the Legislature. The fiscal impact was a 3 fold increase in assessed value.

Changes in tax classifications were made over the years including rate changes, movement of property between classes, and exemption of property from taxation. However, the most significant changes occurred in 1977 and 1979.

In 1977, the Legislature adopted a market value standard for valuing property and established rates for taxing the property (taxable value rates). This ended the fractional assessment of property in Montana. The 1977 legislation was designed to maintain effective tax rates for the various types of property.

To maintain effective tax rates the number of classes were increased from 11 to 18. In addition, 2 more classes were created in 1977 bringing the total to 20.

The Legislature was concerned with the large number of classes. They provided for an interim study of classifications and the reasons for grouping types of property. The report of the committee's deliberations is provided.

REVISION OF MONTANA'S PROPERTY
TAX CLASSIFICATION SYSTEM

EXHIBIT 12711
DATE 4/22/91
HB 5C PTAX

A REPORT TO THE FORTY-SIXTH LEGISLATURE

REVENUE OVERSIGHT COMMITTEE

December 1978

EXHIBIT 28211
DATE 4/22/91
HB SC PTAX

COMMERCIAL AND RESIDENTIAL PROPERTY CLASSIFICATION

Commercial and residential land and improvements have been in the same tax class since classification was instituted in 1919.

In the 1986 special session, a bill was introduced to separate residential land and improvements from commercial land and improvements. This was to address problems created by a new federal law prohibiting the discriminatory taxation of railroads-- 4R Act. The proposal was strongly resisted and the bill failed.

WJR #29 - Property Tax Reform

Proposed and Current Classes

Proposed

<u>Class</u>	<u>Rate</u>	<u>Description</u>
Class 1	100.0000%	Net Proceeds
Class 2	3.0000%	Gross Proceeds
Class 3	30.0000%	Ag Land
Class 4	3.8600%	Real Property
Class 5	3.0000%	New Industry and Pollution Control
Class 6	4.0000%	Livestock
Class 7	8.0000%	Independent Telephone
Class 8	9.0000%	Personal Property
Class 9	12.0000%	Utilities
Class 10	3.8400%	Timber
Class 11	3.0880%	Farmsteads
Class 12	7.5600%	Railroads and Airlines

Current

<u>Class</u>	<u>Rate</u>	<u>Description</u>
Class 1	100.0000%	Net Proceeds
Class 2	3.0000%	Gross Proceeds
Class 3	30.0000%	Ag Land
Class 4	3.8600%	Residential and Commercial Real
Class 12	3.8600%	Mobile Homes
Class 18	30.0000%	Nonproductive Mining Claims <i>(Appraisal method changes from productivity to market value basis, no revenue impact to property).</i>
Class 19	2.0000%	Nonproductive Real Less Than 20 ac. <i>(A same appraised values will be decreased to reflect conditions which preclude development of the property, no revenue impact).</i>
Class 20	3.8600%	Out of Production Ag and Timber
Class 5	3.0000%	New Industry and Pollution Control
Class 6	4.0000%	Livestock
Class 7	8.0000%	Independent Telephone
Class 8	9.0000%	Personal Property
Class 11	12.0000%	Utilities
Class 13	3.8400%	Timber
Class 14	3.0880%	Farmsteads
Class 15	7.4900%	Railroads
Class 17	7.4900%	Airlines

EXHIBIT 29711
 DATE 7/22/91
 HB SC PTAX

DOR #29 – Property Tax Reform

Impact on Current Property Classes

<u>Current Class</u>	<u>Current Tax Revenue</u>	<u>Proposed Tax Revenue</u>	<u>Difference</u>
Class 1 Net Proceeds	\$3,626,521	\$3,626,521	\$0
Class 2 Gross Proceeds	\$3,027,295	\$3,027,295	\$0
Class 3 Agric. Land	\$38,842,780	\$38,842,780	\$0
Class 4 Resid.	\$150,267,820	\$150,267,820	\$0
Class 4 Comm.	\$70,413,533	\$70,413,533	\$0
Class 5 Co-ops	\$6,040,704	\$6,040,704	\$0
Class 6 Livestock	\$6,997,060	\$6,997,060	\$0
Class 7 Ind. Telephone	\$253,979	\$253,979	\$0
Class 8 Pers. Property	\$66,407,995	\$66,407,995	\$0
Class 11 Utilities	\$96,224,237	\$96,224,237	\$0
Class 12 Mobile Homes	\$5,301,014	\$5,301,014	\$0
Class 13 Timber Land	\$2,027,722	\$2,027,722	\$0
Class 14 Farmsteads	\$16,265,710	\$16,265,710	\$0
Class 15 Railroads **	\$15,979,352	\$16,128,692	\$0
Class 17 Airlines **	\$1,538,888	\$1,553,270	\$14,382
Class 18 Mining Claims	\$2,922	\$2,922	\$0
Class 19 Non-Prod. Land	\$29,945	\$29,945	\$0
<u>Class 20 Out of Production</u>	<u>\$1,478</u>	<u>\$1,478</u>	<u>\$0</u>
Total	\$483,248,954	\$483,412,676	\$14,382

* Change is based on negotiated settlement – no direct dollar impact.

** Tax rate increase from 7.49% to 7.56 % is due to removing class 1 and class 2 property from the rate formula.

EXHIBIT _____ 11081
DATE 1/22/91
HB SC PTAX

History

As of July 1, 1973, the Department of Revenue was delegated the responsibility for classifying all agriculture lands. Previously, that was the duty of the county commissioners under Chapter 191, Laws of 1957. As with the previous law, the values determined by the Department were to be based on the productive capacity of the land, i.e., the ability of the land to produce income from a cash crop (wheat, hay, forage for grazing, etc).

The current ag land valuation schedules were developed in the early 1960's. The values are based on a capitalization of net operating income (gross income less operating expenses). The current figures came from the USDA Reporting Service, the Montana Department of Agriculture Statistics, the ASCS, SCS, BIA, BLM and other government agencies.

The Department updated and revised the agricultural land valuation schedules for the reappraisal cycle which concluded on December 31, 1985. Again, the primary source of the data was the various government agencies. A concerted effort was made to include individual operators and ag related associations to help refine the figures.

After developing the new valuation schedules, public comment was solicited through the administrative rules process. The new schedules would have increased the valuation of some types of agricultural land. Agriculturalists expressed their lack of support for the new valuation schedules. As a result, former Governor Ted Schwinden suspended the rules hearing process. He directed the Department to assemble an advisory committee to review the data and procedures and make changes if necessary.

The committee had difficulty arriving at a consensus on the agricultural land valuation schedules. The 1985 Legislature froze the agricultural land valuation schedules that were in effect and specified the approach for developing future ag land valuation schedules.

EXHIBIT () 112/11
 DATE 4/22/91
 HB SC PTAX

**LASSES, GRADES, AND VALUES FOR MONTANA AGRICULTURAL LANDS AS APPROVED
 BY THE STATE DEPARTMENT OF REVENUE**

NON-IRRIGATED FARM LAND (F)

Grade	Bu. Wheat Per Acre On Summer Fallow	Assessed Value Per Acre
1A8	40 & over	81.08
1A7	38 - 39	74.51
1A6	36 - 37	67.94
1A5	34 - 35	61.37
1A4	32 - 33	54.80
1A3	30 - 31	48.60
1A2	28 - 29	42.79
1A1	26 - 27	37.31
1A	24 - 25	32.22
1B	22 - 23	27.50
2A	20 - 21	23.15
2B	18 - 19	19.17
2C	16 - 17	15.56
3A	14 - 15	12.31
3B	12 - 13	9.44
4A	10 - 11	6.94
4B	8 - 9	4.81
5	Under 8	3.06

CONTINUOUSLY CROPPED HAY LAND (WH)

Grade	Tons of Hay Per Acre	Assessed Value Per Acre
1	3.0 & over	67.60
2	2.5 - 2.9	53.03
3	2.0 - 2.4	41.38
4	1.5 - 1.9	29.43
5	1.0 - 1.4	19.38
6	.5 - .9	10.05
7	Less than .5	5.54

GRAZING LAND (G)

Grade	Acres Per 1000# Steer 10 Mos.	Assessed Value Per Acre
1A2	Under 3	71.69
1A1	3 - 5	44.18
1A+	5.1 - 5.9	31.27
1A	6 - 10	20.51
1B	11 - 18	10.53
2A	19 - 21	7.17
2B	22 - 27	5.42
3	28 - 37	3.72
4	38 - 55	2.52
5	56 - 99	1.47
6	100 or over	.82

**NON-IRRIGATED CONTINUOUSLY CROPPED
 FARM LAND (CC)**

Grade	Bu. of Wheat Per Acre Each Year	Assessed Value Per Acre
1A4	44 & over	125.71
1A3	42 - 43	116.94
1A2	40 - 41	108.17
1A1	38 - 39	99.40
1A	36 - 37	90.63
1	34 - 35	81.86
2	32 - 33	73.09
3	30 - 31	64.81
4	28 - 29	57.05
5	26 - 27	49.75
6	24 - 25	42.96
7	22 - 23	36.67
8	20 - 21	30.87
9	18 - 19	25.56
10	16 - 17	20.75
11	14 - 15	16.41
12	12 - 13	12.59
13	10 - 11	9.25
14	Less than 10	6.41

TILLABLE IRRIGATED LANDS (I)

CLASS 1 (Maximum Rotation) Assessed Value Per Acre by Water Cost Classes

Grade	Tons Alfalfa Per Acre	Under	\$1.50	\$2.50	\$3.50	\$4.50	\$5.50	\$6.50	\$7.50
		\$1.50	2.49	3.49	4.49	5.49	6.49	7.49	& Over
1A	4.5+	110.40	103.74	97.07	90.40	83.74	77.07	70.40	63.74
1B	4.0-4.4	94.70	88.98	83.26	77.55	71.83	66.11	60.39	54.68
2	3.5-3.9	78.70	73.96	69.20	64.45	59.70	54.94	50.19	45.44
3	3.0-3.4	63.70	59.85	56.00	52.16	48.31	44.47	40.62	36.78
4	2.5-2.9	48.53	45.60	42.67	39.74	36.81	33.88	30.95	28.02
5	2.0-2.4	31.92	30.00	28.07	26.14	24.21	22.29	20.36	18.43
6	1.5-1.9	19.86	18.67	17.47	16.27	15.07	13.87	12.67	11.47
7	1.0-1.4	11.37	10.69	10.00	9.31	8.63	7.94	7.25	6.57
8	-1.0	4.55	4.28	4.00	3.72	3.45	3.18	3.06	3.06

CLASS 2 (Medium Rotation) Assessed Value Per Acre by Water Cost Classes

Grade	Tons Alfalfa Per Acre	Under	\$1.50	\$2.50	\$3.50	\$4.50	\$5.50	\$6.50	\$7.50
		\$1.50	2.49	3.49	4.49	5.49	6.49	7.49	& Over
1A	4.5+	97.26	90.60	83.93	77.27	70.60	63.94	57.27	50.60
1B	4.0-4.4	81.72	76.12	70.52	64.92	59.32	53.72	48.12	42.52
2	3.5-3.9	67.27	62.66	58.05	53.44	48.83	44.22	39.61	35.00
3	3.0-3.4	53.90	50.21	46.51	42.82	39.12	35.43	31.73	28.04
4	2.5-2.9	41.60	38.76	35.90	33.05	30.20	27.35	24.49	21.65
5	2.0-2.4	30.39	28.31	26.22	24.14	22.06	19.98	17.89	15.81
6	1.5-1.9	19.86	18.67	17.47	16.27	15.07	13.87	12.67	11.47
7	1.0-1.4	11.37	10.69	10.00	9.31	8.63	7.94	7.25	6.57
8	-1.0	4.55	4.28	4.00	3.72	3.45	3.18	3.06	3.06

CLASS 3 (Minimum Rotation) Assessed Value Per Acre by Water Cost Classes

Grade	Tons Alfalfa Per Acre	Under	\$1.50	\$2.50	\$3.50	\$4.50	\$5.50	\$6.50	\$7.50
		\$1.50	2.49	3.49	4.49	5.49	6.49	7.49	& Over
1A	4.5+	86.26	79.60	72.93	66.27	59.60	52.94	46.27	39.60
1B	4.0-4.4	73.84	68.14	62.43	56.72	51.02	45.31	39.60	33.90
2	3.5-3.9	62.01	57.22	52.43	47.64	42.84	38.05	33.26	28.47
3	3.0-3.4	50.79	46.86	42.94	39.02	35.09	31.16	27.24	23.32
4	2.5-2.9	40.15	37.05	33.95	30.85	27.74	24.64	21.54	18.43
5	2.0-2.4	30.11	27.78	25.46	23.13	20.80	18.48	16.15	13.82
6	1.5-1.9	19.86	18.67	17.47	16.27	15.07	13.87	12.67	11.47
7	1.0-1.4	11.37	10.69	10.00	9.31	8.63	7.94	7.25	6.57
8	-1.0	4.55	4.28	4.00	3.72	3.45	3.18	3.06	3.06

